

EXHIBIT 3  
DATE 1/9/13  
*organizational meeting*

Department of Administration  
DIVISION OF BANKING AND FINANCIAL INSTITUTIONS  
Melanie Hall, Commissioner

**What We Do:** Help to ensure that Montanan's have access to a safe and sound system of state-chartered financial institutions. Help to protect Montanan's from abuses that occur in the credit market place. Provide Montanan's with a financial consumer complaint process.

**How We Do What We Do:** License and examine providers of financial services in MT.

- ❖ Examine all state-chartered banks and credit unions in Montana to ensure the safety of depositors' funds. (#'s: 57 banks with appx. 267 branch banks, 1 trust company, 7 credit unions with appx. 15 branches. Total assets of these institutions is over \$25 billion)
- ❖ License and examine mortgage brokers, lenders, originators and servicers. (#'s: 116 mortgage brokers and broker branch offices, 214 mortgage lenders and lender branch offices, 155 mortgage servicers and mortgage servicer branch offices, and 814 mortgage loan originators)
- ❖ License and examine other non-depository providers of financial services such as payday lenders, consumer loan companies, sales finances companies, escrow businesses and title loan companies. (#'s: 43 consumer finance companies; 112 sales finance companies; 1 deferred deposit lender; and 9 escrow companies)

Attempt to resolve consumer complaints by helping consumers to obtain information and facilitating a discussion with the business. Enforcement actions are brought to obtain compliance with the law, restitution for consumers and/or penalties when necessary.

**Funding:** 100% of funding is generated through assessments, licensing fees, exam fees and enforcement actions. (70% bank and credit union assessments, 18% licensing fees, 7% exam fees, 4% fines, 1% other)

**Bills This Session:** 9!!! **Why so many???** Three main categories: 1) Changes to modernize our statutes to reflect current state law and today's business and accounting practices, 2) Changes to federal laws that impact our laws, and 3) Clarify existing, confusing language.

- SB 61 – Revise Bank Laws Pertaining to Derivative Transactions (Sen. Rick Ripley)
- SB 62 – Revise Bank Laws Regarding Foreign Fiduciary Trust Companies (Sen. Rick Ripley)
- SB 93 – Revise Montana Mortgage Act (Sen. Gene Vuckovich)
- HB 63 – Revise Retail Installment Sales Act (Rep. JP Pomnichowski)
- HB 65 – Revise Consumer Loan Act (Rep. JP Pomnichowski)
- HB 116 – Revise Deferred Deposit Loan Laws (Rep. Jenny Eck)
- HB 117 – Revise Escrow Regulation Laws (Rep. Jenny Eck)
- HB 118 – Repeal the Montana Title Loan Act (Rep. Jenny Eck)
- HB 138 – Revise Bank Act Merger Provisions (Rep. Greg Hertz)